



Sen. William E. Brady

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LRB098 05107 HLH 42911 a

1 AMENDMENT TO SENATE BILL 52

2 AMENDMENT NO. _____. Amend Senate Bill 52 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Renewable Fuels Development
5 Program Act is amended by changing Section 20 as follows:

6 (20 ILCS 689/20)

7 Sec. 20. Grants. Subject to appropriation, the Director is
8 authorized to award grants to eligible applicants for the
9 following programs.

10 (1) Next generation ethanol/renewable fuels. Eligible
11 next generation ethanol/renewable fuel projects include
12 those renewable fuel facilities installing new
13 technologies to reduce water and energy usage as well as
14 technologies to reduce greenhouse gas emissions. Projects
15 that will result in more efficient processes, new
16 co-products, fuels and chemicals are also eligible for

1 funding. The annual aggregate amount of grants awarded
2 under this item (1) for next generation ethanol/renewable
3 fuel projects shall not exceed \$15,000,000.

4 (2) Majority blended ethanol and blender pump
5 infrastructure program. The Department shall establish a
6 grant program to provide funds for the installation of
7 majority blended ethanol and blender pump fueling
8 facilities. The annual aggregate amount of grants awarded
9 under this item (2) shall not exceed \$5,000,000.

10 (3) Research and development program for sustainable
11 corn production and corn-based renewable fuel production.
12 The Department shall establish a grant program to provide
13 funds for research and development projects to reduce the
14 carbon footprint of corn based renewable fuels through new
15 co-products, new process technologies, and new fuels. The
16 Department shall also establish a grant program to fund
17 research on increasing the sustainability of corn
18 production through better nitrogen utilization, new best
19 management practices for improved soil health, water
20 conservation, and reduced environmental concerns. Eligible
21 projects include those that will increase corn
22 productivity with lower inputs and less risk. The annual
23 aggregate amount of grants awarded under this item (3)
24 shall not exceed \$5,000,000.

25 ~~The annual aggregate amount of grants awarded shall not exceed~~
26 ~~\$20,000,000, except that this amount does not include amounts,~~

1 ~~up to \$4,000,000 per grant, that may be awarded to each~~
2 ~~eligible applicant who installs advanced technologies for~~
3 ~~water usage, carbon footprint reduction, and other blending~~
4 ~~improvements designed to optimize processes at the applicant's~~
5 ~~renewable fuels facility.~~

6 (Source: P.A. 96-173, eff. 8-10-09.)

7 Section 10. The Use Tax Act is amended by changing Sections
8 3-10 and 3-44 and by adding Sections 3-44.6, 3-44.7, and 3-44.8
9 as follows:

10 (35 ILCS 105/3-10)

11 Sec. 3-10. Rate of tax. Unless otherwise provided in this
12 Section, the tax imposed by this Act is at the rate of 6.25% of
13 either the selling price or the fair market value, if any, of
14 the tangible personal property. In all cases where property
15 functionally used or consumed is the same as the property that
16 was purchased at retail, then the tax is imposed on the selling
17 price of the property. In all cases where property functionally
18 used or consumed is a by-product or waste product that has been
19 refined, manufactured, or produced from property purchased at
20 retail, then the tax is imposed on the lower of the fair market
21 value, if any, of the specific property so used in this State
22 or on the selling price of the property purchased at retail.
23 For purposes of this Section "fair market value" means the
24 price at which property would change hands between a willing

1 buyer and a willing seller, neither being under any compulsion
2 to buy or sell and both having reasonable knowledge of the
3 relevant facts. The fair market value shall be established by
4 Illinois sales by the taxpayer of the same property as that
5 functionally used or consumed, or if there are no such sales by
6 the taxpayer, then comparable sales or purchases of property of
7 like kind and character in Illinois.

8 Beginning on July 1, 2000 and through December 31, 2000,
9 with respect to motor fuel, as defined in Section 1.1 of the
10 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
11 the Use Tax Act, the tax is imposed at the rate of 1.25%.

12 Beginning on August 6, 2010 through August 15, 2010, with
13 respect to sales tax holiday items as defined in Section 3-6 of
14 this Act, the tax is imposed at the rate of 1.25%.

15 With respect to gasohol, the tax imposed by this Act
16 applies to (i) 70% of the proceeds of sales made on or after
17 January 1, 1990, and before July 1, 2003, (ii) 80% of the
18 proceeds of sales made on or after July 1, 2003 and on or
19 before December 31, 2018, and (iii) 100% of the proceeds of
20 sales made thereafter. If, at any time, however, the tax under
21 this Act on sales of gasohol is imposed at the rate of 1.25%,
22 then the tax imposed by this Act applies to 100% of the
23 proceeds of sales of gasohol made during that time.

24 With respect to E15 and E20 blended ethanol fuel, the tax
25 imposed by this Act applies to (i) 80% of the proceeds of sales
26 made on or after July 1, 2013 and on or before December 31,

1 2018 and (ii) 100% of the proceeds of sales made thereafter.

2 With respect to E30 blended ethanol fuel, the tax imposed
3 by this Act applies to (i) 60% of the proceeds of sales made on
4 or after July 1, 2013 and on or before December 31, 2018 and
5 (ii) 100% of the proceeds of sales made thereafter.

6 With respect to majority blended ethanol fuel, the tax
7 imposed by this Act does not apply to the proceeds of sales
8 made on or after July 1, 2003 and on or before December 31,
9 2018 but applies to 100% of the proceeds of sales made
10 thereafter.

11 With respect to biodiesel blends with no less than 1% and
12 no more than 10% biodiesel, the tax imposed by this Act applies
13 to (i) 80% of the proceeds of sales made on or after July 1,
14 2003 and on or before December 31, 2018 and (ii) 100% of the
15 proceeds of sales made thereafter. If, at any time, however,
16 the tax under this Act on sales of biodiesel blends with no
17 less than 1% and no more than 10% biodiesel is imposed at the
18 rate of 1.25%, then the tax imposed by this Act applies to 100%
19 of the proceeds of sales of biodiesel blends with no less than
20 1% and no more than 10% biodiesel made during that time.

21 With respect to 100% biodiesel and biodiesel blends with
22 more than 10% but no more than 99% biodiesel, the tax imposed
23 by this Act does not apply to the proceeds of sales made on or
24 after July 1, 2003 and on or before December 31, 2018 but
25 applies to 100% of the proceeds of sales made thereafter.

26 With respect to food for human consumption that is to be

1 consumed off the premises where it is sold (other than
2 alcoholic beverages, soft drinks, and food that has been
3 prepared for immediate consumption) and prescription and
4 nonprescription medicines, drugs, medical appliances,
5 modifications to a motor vehicle for the purpose of rendering
6 it usable by a disabled person, and insulin, urine testing
7 materials, syringes, and needles used by diabetics, for human
8 use, the tax is imposed at the rate of 1%. For the purposes of
9 this Section, until September 1, 2009: the term "soft drinks"
10 means any complete, finished, ready-to-use, non-alcoholic
11 drink, whether carbonated or not, including but not limited to
12 soda water, cola, fruit juice, vegetable juice, carbonated
13 water, and all other preparations commonly known as soft drinks
14 of whatever kind or description that are contained in any
15 closed or sealed bottle, can, carton, or container, regardless
16 of size; but "soft drinks" does not include coffee, tea,
17 non-carbonated water, infant formula, milk or milk products as
18 defined in the Grade A Pasteurized Milk and Milk Products Act,
19 or drinks containing 50% or more natural fruit or vegetable
20 juice.

21 Notwithstanding any other provisions of this Act,
22 beginning September 1, 2009, "soft drinks" means non-alcoholic
23 beverages that contain natural or artificial sweeteners. "Soft
24 drinks" do not include beverages that contain milk or milk
25 products, soy, rice or similar milk substitutes, or greater
26 than 50% of vegetable or fruit juice by volume.

1 Until August 1, 2009, and notwithstanding any other
2 provisions of this Act, "food for human consumption that is to
3 be consumed off the premises where it is sold" includes all
4 food sold through a vending machine, except soft drinks and
5 food products that are dispensed hot from a vending machine,
6 regardless of the location of the vending machine. Beginning
7 August 1, 2009, and notwithstanding any other provisions of
8 this Act, "food for human consumption that is to be consumed
9 off the premises where it is sold" includes all food sold
10 through a vending machine, except soft drinks, candy, and food
11 products that are dispensed hot from a vending machine,
12 regardless of the location of the vending machine.

13 Notwithstanding any other provisions of this Act,
14 beginning September 1, 2009, "food for human consumption that
15 is to be consumed off the premises where it is sold" does not
16 include candy. For purposes of this Section, "candy" means a
17 preparation of sugar, honey, or other natural or artificial
18 sweeteners in combination with chocolate, fruits, nuts or other
19 ingredients or flavorings in the form of bars, drops, or
20 pieces. "Candy" does not include any preparation that contains
21 flour or requires refrigeration.

22 Notwithstanding any other provisions of this Act,
23 beginning September 1, 2009, "nonprescription medicines and
24 drugs" does not include grooming and hygiene products. For
25 purposes of this Section, "grooming and hygiene products"
26 includes, but is not limited to, soaps and cleaning solutions,

1 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
2 lotions and screens, unless those products are available by
3 prescription only, regardless of whether the products meet the
4 definition of "over-the-counter-drugs". For the purposes of
5 this paragraph, "over-the-counter-drug" means a drug for human
6 use that contains a label that identifies the product as a drug
7 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
8 label includes:

9 (A) A "Drug Facts" panel; or

10 (B) A statement of the "active ingredient(s)" with a
11 list of those ingredients contained in the compound,
12 substance or preparation.

13 If the property that is purchased at retail from a retailer
14 is acquired outside Illinois and used outside Illinois before
15 being brought to Illinois for use here and is taxable under
16 this Act, the "selling price" on which the tax is computed
17 shall be reduced by an amount that represents a reasonable
18 allowance for depreciation for the period of prior out-of-state
19 use.

20 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
21 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1012, eff. 7-7-10;
22 97-636, eff. 6-1-12.)

23 (35 ILCS 105/3-44)

24 Sec. 3-44. Majority blended ethanol fuel. "Majority
25 blended ethanol fuel" means motor fuel that (i) contains not

1 less than 51% and no more than 83% by volume ethanol, as
2 specified in ASTM Standard DS798-11, and (ii) is capable of
3 being used in the operation of flexible fuel vehicles. 70% and
4 no more than 90% denatured ethanol and no less than 10% and no
5 more than 30% gasoline.

6 (Source: P.A. 93-17, eff. 6-11-03.)

7 (35 ILCS 105/3-44.6 new)

8 Sec. 3-44.6. E15 blended ethanol fuel. "E15 blended ethanol
9 fuel" means a blend of 15% denatured ethanol, ASTM Standard D
10 4806, and 85% gasoline for use in flexible fuel vehicles.

11 (35 ILCS 105/3-44.7 new)

12 Sec. 3-44.7. E20 blended ethanol fuel. "E20 blended ethanol
13 fuel" means a blend of 20% denatured ethanol, ASTM Standard D
14 4806, and 80% gasoline for use in flexible fuel vehicles.

15 (35 ILCS 105/3-44.8 new)

16 Sec. 3-44.8. E30 blended ethanol fuel. "E30 blended ethanol
17 fuel" means a blend of 30% denatured ethanol, ASTM Standard D
18 4806, and 70% gasoline for use in flexible fuel vehicles.

19 Section 15. The Service Use Tax Act is amended by changing
20 Section 3-10 as follows:

21 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

1 Sec. 3-10. Rate of tax. Unless otherwise provided in this
2 Section, the tax imposed by this Act is at the rate of 6.25% of
3 the selling price of tangible personal property transferred as
4 an incident to the sale of service, but, for the purpose of
5 computing this tax, in no event shall the selling price be less
6 than the cost price of the property to the serviceman.

7 Beginning on July 1, 2000 and through December 31, 2000,
8 with respect to motor fuel, as defined in Section 1.1 of the
9 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
10 the Use Tax Act, the tax is imposed at the rate of 1.25%.

11 With respect to gasohol, as defined in the Use Tax Act, the
12 tax imposed by this Act applies to (i) 70% of the selling price
13 of property transferred as an incident to the sale of service
14 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
15 of the selling price of property transferred as an incident to
16 the sale of service on or after July 1, 2003 and on or before
17 December 31, 2018, and (iii) 100% of the selling price
18 thereafter. If, at any time, however, the tax under this Act on
19 sales of gasohol, as defined in the Use Tax Act, is imposed at
20 the rate of 1.25%, then the tax imposed by this Act applies to
21 100% of the proceeds of sales of gasohol made during that time.

22 With respect to E15 and E20 blended ethanol fuel, as
23 defined in the Use Tax Act, the tax imposed by this Act applies
24 to (i) 80% of the proceeds of sales made on or after July 1,
25 2013 and on or before December 31, 2018 and (ii) 100% of the
26 proceeds of sales made thereafter.

1 With respect to E30 blended ethanol fuel, as defined in the
2 Use Tax Act, the tax imposed by this Act applies to (i) 60% of
3 the selling price of property transferred as an incident to the
4 sale of service on or after July 1, 2013 and on or before
5 December 31, 2018 and (ii) 100% of the selling price
6 thereafter.

7 With respect to majority blended ethanol fuel, as defined
8 in the Use Tax Act, the tax imposed by this Act does not apply
9 to the selling price of property transferred as an incident to
10 the sale of service on or after July 1, 2003 and on or before
11 December 31, 2018 but applies to 100% of the selling price
12 thereafter.

13 With respect to biodiesel blends, as defined in the Use Tax
14 Act, with no less than 1% and no more than 10% biodiesel, the
15 tax imposed by this Act applies to (i) 80% of the selling price
16 of property transferred as an incident to the sale of service
17 on or after July 1, 2003 and on or before December 31, 2018 and
18 (ii) 100% of the proceeds of the selling price thereafter. If,
19 at any time, however, the tax under this Act on sales of
20 biodiesel blends, as defined in the Use Tax Act, with no less
21 than 1% and no more than 10% biodiesel is imposed at the rate
22 of 1.25%, then the tax imposed by this Act applies to 100% of
23 the proceeds of sales of biodiesel blends with no less than 1%
24 and no more than 10% biodiesel made during that time.

25 With respect to 100% biodiesel, as defined in the Use Tax
26 Act, and biodiesel blends, as defined in the Use Tax Act, with

1 more than 10% but no more than 99% biodiesel, the tax imposed
2 by this Act does not apply to the proceeds of the selling price
3 of property transferred as an incident to the sale of service
4 on or after July 1, 2003 and on or before December 31, 2018 but
5 applies to 100% of the selling price thereafter.

6 At the election of any registered serviceman made for each
7 fiscal year, sales of service in which the aggregate annual
8 cost price of tangible personal property transferred as an
9 incident to the sales of service is less than 35%, or 75% in
10 the case of servicemen transferring prescription drugs or
11 servicemen engaged in graphic arts production, of the aggregate
12 annual total gross receipts from all sales of service, the tax
13 imposed by this Act shall be based on the serviceman's cost
14 price of the tangible personal property transferred as an
15 incident to the sale of those services.

16 The tax shall be imposed at the rate of 1% on food prepared
17 for immediate consumption and transferred incident to a sale of
18 service subject to this Act or the Service Occupation Tax Act
19 by an entity licensed under the Hospital Licensing Act, the
20 Nursing Home Care Act, the ID/DD Community Care Act, the
21 Specialized Mental Health Rehabilitation Act, or the Child Care
22 Act of 1969. The tax shall also be imposed at the rate of 1% on
23 food for human consumption that is to be consumed off the
24 premises where it is sold (other than alcoholic beverages, soft
25 drinks, and food that has been prepared for immediate
26 consumption and is not otherwise included in this paragraph)

1 and prescription and nonprescription medicines, drugs, medical
2 appliances, modifications to a motor vehicle for the purpose of
3 rendering it usable by a disabled person, and insulin, urine
4 testing materials, syringes, and needles used by diabetics, for
5 human use. For the purposes of this Section, until September 1,
6 2009: the term "soft drinks" means any complete, finished,
7 ready-to-use, non-alcoholic drink, whether carbonated or not,
8 including but not limited to soda water, cola, fruit juice,
9 vegetable juice, carbonated water, and all other preparations
10 commonly known as soft drinks of whatever kind or description
11 that are contained in any closed or sealed bottle, can, carton,
12 or container, regardless of size; but "soft drinks" does not
13 include coffee, tea, non-carbonated water, infant formula,
14 milk or milk products as defined in the Grade A Pasteurized
15 Milk and Milk Products Act, or drinks containing 50% or more
16 natural fruit or vegetable juice.

17 Notwithstanding any other provisions of this Act,
18 beginning September 1, 2009, "soft drinks" means non-alcoholic
19 beverages that contain natural or artificial sweeteners. "Soft
20 drinks" do not include beverages that contain milk or milk
21 products, soy, rice or similar milk substitutes, or greater
22 than 50% of vegetable or fruit juice by volume.

23 Until August 1, 2009, and notwithstanding any other
24 provisions of this Act, "food for human consumption that is to
25 be consumed off the premises where it is sold" includes all
26 food sold through a vending machine, except soft drinks and

1 food products that are dispensed hot from a vending machine,
2 regardless of the location of the vending machine. Beginning
3 August 1, 2009, and notwithstanding any other provisions of
4 this Act, "food for human consumption that is to be consumed
5 off the premises where it is sold" includes all food sold
6 through a vending machine, except soft drinks, candy, and food
7 products that are dispensed hot from a vending machine,
8 regardless of the location of the vending machine.

9 Notwithstanding any other provisions of this Act,
10 beginning September 1, 2009, "food for human consumption that
11 is to be consumed off the premises where it is sold" does not
12 include candy. For purposes of this Section, "candy" means a
13 preparation of sugar, honey, or other natural or artificial
14 sweeteners in combination with chocolate, fruits, nuts or other
15 ingredients or flavorings in the form of bars, drops, or
16 pieces. "Candy" does not include any preparation that contains
17 flour or requires refrigeration.

18 Notwithstanding any other provisions of this Act,
19 beginning September 1, 2009, "nonprescription medicines and
20 drugs" does not include grooming and hygiene products. For
21 purposes of this Section, "grooming and hygiene products"
22 includes, but is not limited to, soaps and cleaning solutions,
23 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
24 lotions and screens, unless those products are available by
25 prescription only, regardless of whether the products meet the
26 definition of "over-the-counter-drugs". For the purposes of

1 this paragraph, "over-the-counter-drug" means a drug for human
2 use that contains a label that identifies the product as a drug
3 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
4 label includes:

5 (A) A "Drug Facts" panel; or

6 (B) A statement of the "active ingredient(s)" with a
7 list of those ingredients contained in the compound,
8 substance or preparation.

9 If the property that is acquired from a serviceman is
10 acquired outside Illinois and used outside Illinois before
11 being brought to Illinois for use here and is taxable under
12 this Act, the "selling price" on which the tax is computed
13 shall be reduced by an amount that represents a reasonable
14 allowance for depreciation for the period of prior out-of-state
15 use.

16 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
17 eff. 7-13-09; 96-339, eff. 7-1-10; 96-1000, eff. 7-2-10; 97-38,
18 eff. 6-28-11; 97-227, eff. 1-1-12; 97-636, eff. 6-1-12.)

19 Section 20. The Service Occupation Tax Act is amended by
20 changing Section 3-10 as follows:

21 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

22 Sec. 3-10. Rate of tax. Unless otherwise provided in this
23 Section, the tax imposed by this Act is at the rate of 6.25% of
24 the "selling price", as defined in Section 2 of the Service Use

1 Tax Act, of the tangible personal property. For the purpose of
2 computing this tax, in no event shall the "selling price" be
3 less than the cost price to the serviceman of the tangible
4 personal property transferred. The selling price of each item
5 of tangible personal property transferred as an incident of a
6 sale of service may be shown as a distinct and separate item on
7 the serviceman's billing to the service customer. If the
8 selling price is not so shown, the selling price of the
9 tangible personal property is deemed to be 50% of the
10 serviceman's entire billing to the service customer. When,
11 however, a serviceman contracts to design, develop, and produce
12 special order machinery or equipment, the tax imposed by this
13 Act shall be based on the serviceman's cost price of the
14 tangible personal property transferred incident to the
15 completion of the contract.

16 Beginning on July 1, 2000 and through December 31, 2000,
17 with respect to motor fuel, as defined in Section 1.1 of the
18 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
19 the Use Tax Act, the tax is imposed at the rate of 1.25%.

20 With respect to gasohol, as defined in the Use Tax Act, the
21 tax imposed by this Act shall apply to (i) 70% of the cost
22 price of property transferred as an incident to the sale of
23 service on or after January 1, 1990, and before July 1, 2003,
24 (ii) 80% of the selling price of property transferred as an
25 incident to the sale of service on or after July 1, 2003 and on
26 or before December 31, 2018, and (iii) 100% of the cost price

1 thereafter. If, at any time, however, the tax under this Act on
2 sales of gasohol, as defined in the Use Tax Act, is imposed at
3 the rate of 1.25%, then the tax imposed by this Act applies to
4 100% of the proceeds of sales of gasohol made during that time.

5 With respect to E15 and E20 blended ethanol fuel, as
6 defined in the Use Tax Act, the tax imposed by this Act applies
7 to (i) 80% of the proceeds of sales made on or after July 1,
8 2013 and on or before December 31, 2018 and (ii) 100% of the
9 proceeds of sales made thereafter.

10 With respect to E30 blended ethanol fuel, as defined in the
11 Use Tax Act, the tax imposed by this Act applies to (i) 60% of
12 the selling price of property transferred as an incident to the
13 sale of service on or after July 1, 2013 and on or before
14 December 31, 2018 and (ii) 100% of the selling price
15 thereafter.

16 With respect to majority blended ethanol fuel, as defined
17 in the Use Tax Act, the tax imposed by this Act does not apply
18 to the selling price of property transferred as an incident to
19 the sale of service on or after July 1, 2003 and on or before
20 December 31, 2018 but applies to 100% of the selling price
21 thereafter.

22 With respect to biodiesel blends, as defined in the Use Tax
23 Act, with no less than 1% and no more than 10% biodiesel, the
24 tax imposed by this Act applies to (i) 80% of the selling price
25 of property transferred as an incident to the sale of service
26 on or after July 1, 2003 and on or before December 31, 2018 and

1 (ii) 100% of the proceeds of the selling price thereafter. If,
2 at any time, however, the tax under this Act on sales of
3 biodiesel blends, as defined in the Use Tax Act, with no less
4 than 1% and no more than 10% biodiesel is imposed at the rate
5 of 1.25%, then the tax imposed by this Act applies to 100% of
6 the proceeds of sales of biodiesel blends with no less than 1%
7 and no more than 10% biodiesel made during that time.

8 With respect to 100% biodiesel, as defined in the Use Tax
9 Act, and biodiesel blends, as defined in the Use Tax Act, with
10 more than 10% but no more than 99% biodiesel material, the tax
11 imposed by this Act does not apply to the proceeds of the
12 selling price of property transferred as an incident to the
13 sale of service on or after July 1, 2003 and on or before
14 December 31, 2018 but applies to 100% of the selling price
15 thereafter.

16 At the election of any registered serviceman made for each
17 fiscal year, sales of service in which the aggregate annual
18 cost price of tangible personal property transferred as an
19 incident to the sales of service is less than 35%, or 75% in
20 the case of servicemen transferring prescription drugs or
21 servicemen engaged in graphic arts production, of the aggregate
22 annual total gross receipts from all sales of service, the tax
23 imposed by this Act shall be based on the serviceman's cost
24 price of the tangible personal property transferred incident to
25 the sale of those services.

26 The tax shall be imposed at the rate of 1% on food prepared

1 for immediate consumption and transferred incident to a sale of
2 service subject to this Act or the Service Occupation Tax Act
3 by an entity licensed under the Hospital Licensing Act, the
4 Nursing Home Care Act, the ID/DD Community Care Act, the
5 Specialized Mental Health Rehabilitation Act, or the Child Care
6 Act of 1969. The tax shall also be imposed at the rate of 1% on
7 food for human consumption that is to be consumed off the
8 premises where it is sold (other than alcoholic beverages, soft
9 drinks, and food that has been prepared for immediate
10 consumption and is not otherwise included in this paragraph)
11 and prescription and nonprescription medicines, drugs, medical
12 appliances, modifications to a motor vehicle for the purpose of
13 rendering it usable by a disabled person, and insulin, urine
14 testing materials, syringes, and needles used by diabetics, for
15 human use. For the purposes of this Section, until September 1,
16 2009: the term "soft drinks" means any complete, finished,
17 ready-to-use, non-alcoholic drink, whether carbonated or not,
18 including but not limited to soda water, cola, fruit juice,
19 vegetable juice, carbonated water, and all other preparations
20 commonly known as soft drinks of whatever kind or description
21 that are contained in any closed or sealed can, carton, or
22 container, regardless of size; but "soft drinks" does not
23 include coffee, tea, non-carbonated water, infant formula,
24 milk or milk products as defined in the Grade A Pasteurized
25 Milk and Milk Products Act, or drinks containing 50% or more
26 natural fruit or vegetable juice.

1 Notwithstanding any other provisions of this Act,
2 beginning September 1, 2009, "soft drinks" means non-alcoholic
3 beverages that contain natural or artificial sweeteners. "Soft
4 drinks" do not include beverages that contain milk or milk
5 products, soy, rice or similar milk substitutes, or greater
6 than 50% of vegetable or fruit juice by volume.

7 Until August 1, 2009, and notwithstanding any other
8 provisions of this Act, "food for human consumption that is to
9 be consumed off the premises where it is sold" includes all
10 food sold through a vending machine, except soft drinks and
11 food products that are dispensed hot from a vending machine,
12 regardless of the location of the vending machine. Beginning
13 August 1, 2009, and notwithstanding any other provisions of
14 this Act, "food for human consumption that is to be consumed
15 off the premises where it is sold" includes all food sold
16 through a vending machine, except soft drinks, candy, and food
17 products that are dispensed hot from a vending machine,
18 regardless of the location of the vending machine.

19 Notwithstanding any other provisions of this Act,
20 beginning September 1, 2009, "food for human consumption that
21 is to be consumed off the premises where it is sold" does not
22 include candy. For purposes of this Section, "candy" means a
23 preparation of sugar, honey, or other natural or artificial
24 sweeteners in combination with chocolate, fruits, nuts or other
25 ingredients or flavorings in the form of bars, drops, or
26 pieces. "Candy" does not include any preparation that contains

1 flour or requires refrigeration.

2 Notwithstanding any other provisions of this Act,
3 beginning September 1, 2009, "nonprescription medicines and
4 drugs" does not include grooming and hygiene products. For
5 purposes of this Section, "grooming and hygiene products"
6 includes, but is not limited to, soaps and cleaning solutions,
7 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
8 lotions and screens, unless those products are available by
9 prescription only, regardless of whether the products meet the
10 definition of "over-the-counter-drugs". For the purposes of
11 this paragraph, "over-the-counter-drug" means a drug for human
12 use that contains a label that identifies the product as a drug
13 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
14 label includes:

15 (A) A "Drug Facts" panel; or

16 (B) A statement of the "active ingredient(s)" with a
17 list of those ingredients contained in the compound,
18 substance or preparation.

19 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
20 eff. 7-13-09; 96-339, eff. 7-1-10; 96-1000, eff. 7-2-10; 97-38,
21 eff. 6-28-11; 97-227, eff. 1-1-12; 97-636, eff. 6-1-12.)

22 Section 25. The Retailers' Occupation Tax Act is amended by
23 changing Section 2-10 as follows:

24 (35 ILCS 120/2-10)

1 Sec. 2-10. Rate of tax. Unless otherwise provided in this
2 Section, the tax imposed by this Act is at the rate of 6.25% of
3 gross receipts from sales of tangible personal property made in
4 the course of business.

5 Beginning on July 1, 2000 and through December 31, 2000,
6 with respect to motor fuel, as defined in Section 1.1 of the
7 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
8 the Use Tax Act, the tax is imposed at the rate of 1.25%.

9 Beginning on August 6, 2010 through August 15, 2010, with
10 respect to sales tax holiday items as defined in Section 2-8 of
11 this Act, the tax is imposed at the rate of 1.25%.

12 Within 14 days after the effective date of this amendatory
13 Act of the 91st General Assembly, each retailer of motor fuel
14 and gasohol shall cause the following notice to be posted in a
15 prominently visible place on each retail dispensing device that
16 is used to dispense motor fuel or gasohol in the State of
17 Illinois: "As of July 1, 2000, the State of Illinois has
18 eliminated the State's share of sales tax on motor fuel and
19 gasohol through December 31, 2000. The price on this pump
20 should reflect the elimination of the tax." The notice shall be
21 printed in bold print on a sign that is no smaller than 4
22 inches by 8 inches. The sign shall be clearly visible to
23 customers. Any retailer who fails to post or maintain a
24 required sign through December 31, 2000 is guilty of a petty
25 offense for which the fine shall be \$500 per day per each
26 retail premises where a violation occurs.

1 With respect to gasohol, as defined in the Use Tax Act, the
2 tax imposed by this Act applies to (i) 70% of the proceeds of
3 sales made on or after January 1, 1990, and before July 1,
4 2003, (ii) 80% of the proceeds of sales made on or after July
5 1, 2003 and on or before December 31, 2018, and (iii) 100% of
6 the proceeds of sales made thereafter. If, at any time,
7 however, the tax under this Act on sales of gasohol, as defined
8 in the Use Tax Act, is imposed at the rate of 1.25%, then the
9 tax imposed by this Act applies to 100% of the proceeds of
10 sales of gasohol made during that time.

11 With respect to E15 and E20 blended ethanol fuel, as
12 defined in the Use Tax Act, the tax imposed by this Act applies
13 to (i) 80% of the proceeds of sales made on or after July 1,
14 2013 and on or before December 31, 2018 and (ii) 100% of the
15 proceeds of sales made thereafter.

16 With respect to E30 blended ethanol fuel, as defined in the
17 Use Tax Act, the tax imposed by this Act applies to (i) 60% of
18 the proceeds of sales made on or after July 1, 2013 and on or
19 before December 31, 2018 and (ii) 100% of the proceeds of sales
20 made thereafter.

21 With respect to majority blended ethanol fuel, as defined
22 in the Use Tax Act, the tax imposed by this Act does not apply
23 to the proceeds of sales made on or after July 1, 2003 and on or
24 before December 31, 2018 but applies to 100% of the proceeds of
25 sales made thereafter.

26 With respect to biodiesel blends, as defined in the Use Tax

1 Act, with no less than 1% and no more than 10% biodiesel, the
2 tax imposed by this Act applies to (i) 80% of the proceeds of
3 sales made on or after July 1, 2003 and on or before December
4 31, 2018 and (ii) 100% of the proceeds of sales made
5 thereafter. If, at any time, however, the tax under this Act on
6 sales of biodiesel blends, as defined in the Use Tax Act, with
7 no less than 1% and no more than 10% biodiesel is imposed at
8 the rate of 1.25%, then the tax imposed by this Act applies to
9 100% of the proceeds of sales of biodiesel blends with no less
10 than 1% and no more than 10% biodiesel made during that time.

11 With respect to 100% biodiesel, as defined in the Use Tax
12 Act, and biodiesel blends, as defined in the Use Tax Act, with
13 more than 10% but no more than 99% biodiesel, the tax imposed
14 by this Act does not apply to the proceeds of sales made on or
15 after July 1, 2003 and on or before December 31, 2018 but
16 applies to 100% of the proceeds of sales made thereafter.

17 With respect to food for human consumption that is to be
18 consumed off the premises where it is sold (other than
19 alcoholic beverages, soft drinks, and food that has been
20 prepared for immediate consumption) and prescription and
21 nonprescription medicines, drugs, medical appliances,
22 modifications to a motor vehicle for the purpose of rendering
23 it usable by a disabled person, and insulin, urine testing
24 materials, syringes, and needles used by diabetics, for human
25 use, the tax is imposed at the rate of 1%. For the purposes of
26 this Section, until September 1, 2009: the term "soft drinks"

1 means any complete, finished, ready-to-use, non-alcoholic
2 drink, whether carbonated or not, including but not limited to
3 soda water, cola, fruit juice, vegetable juice, carbonated
4 water, and all other preparations commonly known as soft drinks
5 of whatever kind or description that are contained in any
6 closed or sealed bottle, can, carton, or container, regardless
7 of size; but "soft drinks" does not include coffee, tea,
8 non-carbonated water, infant formula, milk or milk products as
9 defined in the Grade A Pasteurized Milk and Milk Products Act,
10 or drinks containing 50% or more natural fruit or vegetable
11 juice.

12 Notwithstanding any other provisions of this Act,
13 beginning September 1, 2009, "soft drinks" means non-alcoholic
14 beverages that contain natural or artificial sweeteners. "Soft
15 drinks" do not include beverages that contain milk or milk
16 products, soy, rice or similar milk substitutes, or greater
17 than 50% of vegetable or fruit juice by volume.

18 Until August 1, 2009, and notwithstanding any other
19 provisions of this Act, "food for human consumption that is to
20 be consumed off the premises where it is sold" includes all
21 food sold through a vending machine, except soft drinks and
22 food products that are dispensed hot from a vending machine,
23 regardless of the location of the vending machine. Beginning
24 August 1, 2009, and notwithstanding any other provisions of
25 this Act, "food for human consumption that is to be consumed
26 off the premises where it is sold" includes all food sold

1 through a vending machine, except soft drinks, candy, and food
2 products that are dispensed hot from a vending machine,
3 regardless of the location of the vending machine.

4 Notwithstanding any other provisions of this Act,
5 beginning September 1, 2009, "food for human consumption that
6 is to be consumed off the premises where it is sold" does not
7 include candy. For purposes of this Section, "candy" means a
8 preparation of sugar, honey, or other natural or artificial
9 sweeteners in combination with chocolate, fruits, nuts or other
10 ingredients or flavorings in the form of bars, drops, or
11 pieces. "Candy" does not include any preparation that contains
12 flour or requires refrigeration.

13 Notwithstanding any other provisions of this Act,
14 beginning September 1, 2009, "nonprescription medicines and
15 drugs" does not include grooming and hygiene products. For
16 purposes of this Section, "grooming and hygiene products"
17 includes, but is not limited to, soaps and cleaning solutions,
18 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
19 lotions and screens, unless those products are available by
20 prescription only, regardless of whether the products meet the
21 definition of "over-the-counter-drugs". For the purposes of
22 this paragraph, "over-the-counter-drug" means a drug for human
23 use that contains a label that identifies the product as a drug
24 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
25 label includes:

26 (A) A "Drug Facts" panel; or

1 (B) A statement of the "active ingredient(s)" with a
2 list of those ingredients contained in the compound,
3 substance or preparation.

4 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
5 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1012, eff. 7-7-10;
6 97-636, eff. 6-1-12.)

7 Section 99. Effective date. This Act takes effect upon
8 becoming law."